

Message Text

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PAGE 01 MOSCOW 00994 211647Z
ACTION EUR-12

INFO OCT-01 ISO-00 IO-13 EB-08 OMB-01 TRSE-00 FRB-03
CIAE-00 INR-07 NSAE-00 L-03 AID-05 PM-04 NSC-05 SP-02
SS-15 /079 W
-----220107Z 129683 /62
R 211447Z JAN 77
FM AMEMBASSY MOSCOW
TO SECSTATE WASHDC 3335
INFO USMISSION USUN

LIMITED OFFICIAL USE MOSCOW 0994

E.O. 11652: N/A
TAGS: UNDP, EAID, UR
SUBJECT: DELIVERY OF DRAFT US PROPOSAL ON USE OF ACCUMULATED NON-
CONVERTIBLE CURRENCIES

REFS: (A) STATE 6775, (B) STATE 9593, (C) MOSCOW 750

1. EMBASSY OFFICER WAS ABLE ON JANUARY 20 TO DELIVER COPY OF
US DRAFT PROPOSAL TO SOVIET FOREIGN MINISTRY OFFICIAL (KOVALEV,
COUNSELOR IN INTERNATIONAL ECONOMIC ORGANIZATIONS SECTION).
DRAWING ON AIDE MEMOIRE, EMBOFF PRESENTED US VIEWS AS SET
OUT IN REF A.

2. AFTER GLANCING AT PROPOSAL, KOVALEV SAID MFA WOULD CONSIDER
PROPOSAL AND THEN SEND APPROPRIATE INSTRUCTIONS TO SMUN. WHILE
NOT REJECTING PROPOSAL AT THIS TIME, KOVALEV REPEATED SOVIET
OBJECTIONS TO PREVIOUS US PROPOSAL. APPARENTLY SPEAKING
PERSONALLY, HE EXPRESSED VIEW THAT NEW PROPOSAL WOULD MEET SAME
SOVIET OBJECTION AS OLD.

3. KOVALEV ASSERTED THAT USE OF SOVIET RUBLE CONTRIBUTIONS
BY OTHER EMBASSIES HERE (HE CITED EXAMPLE OF INDIA) WOULD
NOT FULFILL PURPOSE FOR WHICH SOVIET UNION PROVIDED UNDP FUNDS,
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PAGE 02 MOSCOW 00994 211647Z

WHICH WAS AS DIRECT COMPONENT IN RECIPIENT COUNTRIES' DEVELOP-
MENT PROGRAMS. HE ADMITTED THAT SOVIET CONTRIBUTIONS WERE
NOT LIKE OTHER CONTRIBUTIONS AND THAT SOVIETS HAVE OWN REASON
FOR WANTING THEIR DONATIONS TO REMAIN INCONVERTIBLE: SO THAT
RECIPIENT COUNTRIES WOULD USE SOVIET SPECIALISTS AND EQUIPMENT.
HE MAINTAINED THAT UNDP FINANCIAL DIFFICULTIES RESULTED NOT
FROM INCONVERTIBILITY OF SOME CONTRIBUTIONS, BUT FROM POOR

ADMINISTRATION OF UNDP IN NOT UTILIZING SUCH CONTRIBUTIONS.

4. COMMENT. WHILE WE DO NOT FIND SOVIET REASONING SURPRISING,
CANDOR WITH WHICH KOVALEV ADMITTED SOVIET PURPOSE WAS SURPRISING.
GIVEN KOVALEV'S BASICALLY NEGATIVE REACTION, WE WOULD NOT
EXPECT MFA TO FIND NEW US PROPOSAL ACCEPTABLE AND BELIEVE THEY
WILL RAISE SAME OBJECTIONS AS THEY HAVE TO OLD PROPOSAL.
TOON

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CONVERTIBLE FOREIGN EXCHANGE, DEVELOPMENT PROGRAMS, FOREIGN EXCHANGE HOLDINGS, AIDE MEMOIRE
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MOSCOW00994
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770023-0723
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770130/aaaaazuq.tel
Line Count: 70
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 7c0661d3-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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TAGS: EAID, UR, UNDP
To: STATE
Type: TE
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